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Note verbale dated 6 August 2010 from the Permanent Mission of Japan to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of Japan to the United Nations has the honour to transmit herewith the interim report on the steps taken by Japan with a view to stringently implementing the relevant paragraphs of resolution 1929 (2010) (see annex).

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Annex to the note verbale dated 6 August 2010 from the Permanent Mission of Japan to the United Nations addressed to the Chairman of the Committee

Report of Japan submitted to the Security Council Committee established pursuant to resolution 1737 (2006) (hereinafter "the Committee") with regard to the implementation of paragraphs 7 to 19 and 21 to 24 of resolution 1929 (2010)

The Government of Japan (hereinafter "the Government") has taken the measures below with a view to stringently implementing the relevant paragraphs of resolution 1929 (2010) (hereinafter "the resolution").

1. Announcement by the Government on 3 August 2010

Based on the resolution and the approval of the Cabinet of 3 August 2010, the Government announced that it would take measures based on the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1948) (hereinafter "Foreign Exchange Act") to freeze the assets of individuals and entities related to Iran's proliferation-sensitive nuclear and other activities, to prohibit Iran's nuclear technology-related investments and prevent transfer of financial resources related to the supply of large conventional weapons to Iran, in accordance with the Foreign Exchange Act, in order to implement paragraphs 7, 8, 11, 12 and 19 of the resolution.

The Government has already issued an advisory urging Japanese financial institutions to secure stringent implementation of the above-mentioned measures, to conduct thorough customer identifications, as required by the Foreign Exchange Act and the Act of Prevention of Transfer of Criminal Proceeds, and to file suspicious transactions reports in accordance with the above-mentioned Act.

In addition to the above, the Government announced that it will reinforce the implementation of the measures with regard to paragraphs 8 to 10 and 13 of the resolution, according to the relevant national legislation and system in force.

2. Measures taken by the Government

Paragraph 7

The Government has taken, in accordance with the Foreign Exchange Act and under the approval of the Cabinet, necessary measures to prohibit investment in any commercial activities within the territory under Japanese jurisdiction involving uranium mining, production or use of nuclear materials and technology as listed in INFCIRC/254/Rev.9/Part 1, in particular, uranium enrichment and reprocessing activities, all heavy-water activities or technology related to ballistic missiles capable of delivering nuclear weapons, by Iran, its nationals, and entities incorporated in Iran or subject to its jurisdiction, or by individuals or entities acting on their behalf or at their direction, or by entities owned or controlled by them.

Under these measures, capital transactions and inward direct investments in stocks of Japanese companies in the industries specified in paragraph 7 of the resolution are subject to a licence system or a prior notification system, respectively. In the light of the resolution, licences will not be granted and notified investment will not be approved.

Paragraph 8

The Government has taken, in accordance with the Foreign Exchange Act and under the approval of the Cabinet, necessary measures to prevent the direct or indirect supply, sale or transfer to Iran, from or through Japanese territory or by its nationals or individuals subject to its jurisdiction, or using its flag vessels or aircraft, and whether or not originating in Japanese territory, of any battle tanks, armoured combat vehicles, large calibre artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems as defined for the purpose of the United Nations Register of Conventional Arms, or related materiel, including spare parts, or items as determined by the Security Council or the Committee, and to prevent the provision to Iran by Japanese nationals or from or through its territory of technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, provision, manufacture, maintenance or use of such arms and related materiel, and to exercise vigilance and restraint over the supply, sale, transfer, provision, manufacture and use of all other arms and related materiel.

Under these measures, exportation to Iran of all arms and related materiel including those specified in paragraph 8 of the resolution continues to be subject to licensing by the Minister of Economy, Trade and Industry. In the light of the resolution, licences will not be granted for exportation to Iran of the arms, related materiel or items identified in paragraph 8 of the resolution.

Under these measures, provision to Iran of technical assistance or training, brokering or services related to the supply, sale, transfer, provision, manufacture, maintenance or use of arms and related materiel specified in paragraph 8 of the resolution continues to be subject to licensing by the Minister of Economy, Trade and Industry. In light of the resolution, licences will not be granted for provision to Iran of technical assistance or training, brokering or services related to the supply, sale, transfer, provision, manufacture, maintenance or use of such arms and related materiel, apart from exceptions which the Committee determines.

Under these measures, payments abroad, whose purpose is to contribute to the supply, sale, transfer, provision, manufacture, maintenance or use of arms and related materiel specified in paragraph 8 of the resolution is also subject to licensing by the Minister of Finance. In the light of the resolution, licences will not be granted for these payments, apart from exceptions which the Committee determines.

Paragraphs 9 and 13

The Government has already taken, in accordance with the Foreign Exchange Act, and regulations established under that Act, such as the Export Trade Control Order (Cabinet Order No. 378 of 1949) (for goods) and the Foreign Exchange Order (Cabinet Order No. 260 of 1980) (for technologies), necessary measures to prevent the supply, sale or transfer of all items, materials, equipment, goods and technology as specified in paragraph 13.

Under these measures, exportation to Iran of all items, materials, equipment, goods and technology specified in paragraph 13 of the resolution continues to be subject to licensing by the Minister of Economy, Trade and Industry. In the light of the resolution, licences will not be granted for exportation to Iran of the aforementioned items, materials, equipment, goods and technology.

Paragraph 10

The Government has already taken, in accordance with the Immigration Control and Refugee Recognition Act (hereinafter "Immigration Control Act"), necessary measures to prevent the entry into or transit through its territory of the 36 individuals designated in section C, D and E of the annex to resolution 1737 (2006), annex I of resolution 1747 (2007), annex I of resolution 1803 (2008) and annex I of the resolution as being engaged in, directly associated with or providing support for Iran's nuclear and other activities.

Under these measures, the Ministry of Foreign Affairs, in accordance with the Law for the Establishment of the Ministry of Foreign Affairs, exercises strict vigilance in the examination of entry/transit visas for the entry into or transit through the Japanese territory of those 36 designated individuals. The Ministry of Justice, in accordance with the Immigration Control Act, will deport the 36 designated individuals from Japan, apart from the exceptions which the Committee determines, as stipulated in paragraph 10 of the resolution. In the light of the resolution, entry/transit permission will not be granted for those 36 individuals as well as other individuals, if any, who will be additionally designated by the Security Council or the Committee, with exceptions mentioned above.

The Government has already initiated necessary measures to inform all the relevant education and research organizations, such as universities, of the obligations under the resolution and regulations in place under the national legislation regarding prevention of transfer of technology which could contribute to Iran's nuclear and other activities.

Paragraphs 11, 12 and 19

The Government has already taken, in accordance with the Foreign Exchange Act and under the approval of the Cabinet, necessary measures to freeze funds, other financial assets and economic resources, which are within the Japanese territory and owned or controlled by the 40 entities and one individual designated in annexes I, II and III to the resolution, in addition to the 35 entities and 40 individuals designated in the annexes to resolutions 1737 (2006), 1747 (2007) and 1803 (2008), as being engaged in, directly associated with or providing support for Iran's nuclear and other activities, and to ensure that any funds, financial assets or economic resources are prevented from being made available by any persons or entities within Japanese territory, to or for the benefit of those individuals and entities.

Under these measures, payments to or by, and capital transactions with, those designated in annexes I, II and III to the resolution as well as the 35 entities and 40 individuals designated in the annexes to resolutions 1737 (2006), 1747 (2007) and 1803 (2008) are subject to licensing by the Minister of Finance or the Minister of Economy, Trade and Industry. In the light of the resolution, licences will not be granted for these payments and capital transactions, except for those stipulated in paragraphs 13, 14 and 15 of resolution 1737 (2006).

The Government will take necessary measures to freeze the funds, other financial assets and economic resources of other persons or entities, if any, who will be additionally designated by the Security Council or the Committee.

Paragraphs 14 to 18

The Government will carry out the inspection of cargo under the existing legal framework, including the "Act on special measures concerning cargo inspections, etc., pursuant to the Security Council resolution 1874", when there is information that provides reasonable grounds to believe that the concerned cargo contains items, the supply, sale, transfer or export of which is prohibited by paragraphs 3, 4 or 7 of resolution 1737 (2006), paragraph 5 of resolution 1747 (2007), paragraph 8 of resolution 1803 (2008) or paragraphs 8 or 9 of the resolution.

In addition to the above, the Government is studying whether there is a need for further measures in order to implement paragraphs 14, 15, 16 and 18.

When the above-mentioned inspection is undertaken, the Government will submit an initial written report to the Committee within five working days, and if items prohibited for transfer are found, the Government will, at a later stage, submit a subsequent report to the Committee.

Paragraph 21

The Government will take necessary measures, which will be determined on a case-by-case basis, to prevent the provision of financial services, including insurance or reinsurance, or the transfer to, through, or from Japanese territory, or to or by its nationals or entities organized under its laws (including branches abroad), or persons or financial institutions in its territory, of any financial or other assets or resources if the Government has information that provides reasonable grounds to believe that such services, assets or resources could contribute to Iran's proliferation-sensitive nuclear activities, or the development of nuclear weapon delivery systems, including by freezing any financial or other assets or resources on its territories or that hereafter come within its territory, or that are subject to its jurisdiction or that hereafter become subject to its jurisdiction, or that are related to such programmes or activities, and will apply enhanced monitoring to prevent all such transactions in accordance with its national authorities and legislation.

Paragraph 22

The Government will take necessary measures, which will be determined on a case-by-case basis, to require Japanese nationals, persons subject to its jurisdiction and firms incorporated in its territory or subject to its jurisdiction exercise vigilance when doing business with entities incorporated in Iran or subject to Iran's jurisdiction, including those of the Islamic Revolutionary Guard Corps and Islamic Republic of Iran Shipping Lines, and any individuals or entities acting on their behalf or at their direction, and entities owned or controlled by them, including through illicit means, if the Government has information that provides reasonable grounds to believe that such businesses could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems or to violations of resolutions 1737 (2006), 1747 (2007), 1803 (2008) or the resolution.

Paragraph 23

The Government will take appropriate measures, which will be determined on a case-by-case basis, to prohibit in Japanese territory the opening of new branches,

subsidiaries or representative offices of Iranian banks and prohibit Iranian banks from establishing new joint ventures, taking an ownership interest in or establishing or maintaining correspondent relationships with banks in its jurisdiction in order to prevent the provision of financial services if the Government has information that provides reasonable grounds to believe that these activities could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems.

Paragraph 24

The Government will take appropriate measures, which will be determined on a case-by-case basis, to prohibit financial institutions within Japanese territory or under its jurisdiction from opening representative offices or subsidiaries or banking accounts in Iran if the Government has information that provides reasonable grounds to believe that such financial services could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems.